



# Lakes Region Weekly

Friday, November 18, 2011

Vol. 9 Issue 6

## New owner for old mill

***A development firm has reacquired the polluted Keddy Mill property in South Windham, seven years after selling the site.***

By John Balentine  
jbalentine@keepmecurrent.com

Lumas Inc., a former owner of the Keddy Mill, has once again taken ownership of the dilapidated and polluted complex in South Windham.

The former steel mill has recently come under state and federal review after recent soil testing confirmed the presence of polychlorinated biphenyls (PCBs) in both the soil surrounding the mill as well as in the flooring of the concrete structure.

Scott Lalumiere, Lumas Inc.'s property manager for the mill, said the Portland-based real estate development firm obtained the site in October at no cost from the site's previous owner, HRC-Village at Little Falls, LLC.

Asked why the firm would purchase a heavily contaminated site that state environmental officials expect will take years and millions of dollars to rectify, Lalumiere said the company benefits in two ways by regaining the property.

First, Lalumiere said, Lumas, as a previous owner, could be responsible for cleanup costs. Taking ownership allows Lumas to be directly involved in the negotiations between those pushing for cleanup, namely the state Department of

Environmental Protection and federal Environmental Protection Agency.

"We were already in the chain of title. There are issues to be dealt with and we hope to address those as efficiently and cost effectively as possible," Lalumiere said. "The property has long-term value and we realize that, and simply put, by taking ownership we don't have somebody controlling our fate in this."

Lumas owned the property

"Mill" see page 4



In the midst of state and federal intervention aiming at cleaning up the polluted Keddy Mill, the property's owner transferred its interest in the South Windham property in October.

File photo

# New mill owners have plans for site

*"Mill" from page 1*

from 2000-2004 and intended to build condominiums on the site, Lalumiere said. It sold the property to Renee Lewis in 2004, and the property has been listed under different owners since then. The latest firm to own the property, HRC-Village, was unable to fulfill its own plan to redevelop the site into condominiums due to several factors, including the slumping housing economy.

Contacted Tuesday at her New York City office, Lewis declined comment regarding the transfer to Lumas, Inc. The mill's new owner is officially listed as Keddy Mill Enterprises, LLC, although Lalumiere said Lumas, Inc. is the parent company.

Lalumiere said his firm has long-range plans for the site but at this time is unwilling to detail specifics.

"The reality is that the process will move slowly, it's not going to happen overnight, but it's also not going to take 10 years," he said. "The next step is to finish testing, and then come up with a cleanup plan and then figure out how to pay for it. It's one step at a time."

Lalumiere is confident his company can redevelop the site that has been a community eyesore for decades.

"We realize that that site is a very key site in the Windham/Gorham area," he said. "It's a very important piece of property, and really key to the redevelopment of that whole section of town. But it's too early to plan for redevelopment until we have a timetable for cleanup."

The change in ownership has

changed little in state regulators' drive to remove pollution from the property, which abuts the Presumpscot River.

Jean Firth, Brownfields coordinator for Maine DEP, said Lalumiere notified the state of the ownership transfer but that the state is also pursuing a "dual track" of applying for federal Superfund cleanup funding.

Prior to the transfer – possibly due to negotiations with Lumas – HRC-Village had asked for an extension to a DEP-imposed Oct. 1 deadline to submit a remediation plan. Asked if HRC could be liable, Firth said, "They still owned it at the time of contamination, and they don't get out of the chain of title, so yes, they are still potentially a responsible party."

While DEP is pursuing federal money to clean up the site, the state would be responsible for a 10 percent match. The town of Windham, which is not listed in the chain of title, is not responsible for cleanup costs.

Economic Development Director Tom Bartell, who has kept the Town Council apprised of the situation at the mill, said the transfer in ownership has changed little regarding the overall need to redevelop the site. However, he is encouraged by Lalumiere's statements.

"The site is really the lynchpin of community redevelopment in the South Windham village, not just economic redevelopment," Bartell said. "How we get there is another question. It's been a long circuitous route, but hopefully it gets to a point where it gets redeveloped."

Bartell added that "cleanup isn't the ultimate goal. The ultimate goal is putting it back into usable condition."